

NARBHA
STATEMENT OF FINANCIAL POSITION
AS OF: September 30, 2008

ASSETS

CURRENT ASSETS

101 Cash (Disclose on Schedule A)	\$20,397,922
102 Current Investments	
103 Accounts Receivable (net) (Disclose on Schedule A)	\$4,689,067
104 Notes Receivable (current portion)	\$133,540
105 Prepaid Expenses	\$193,402
106 Other Current Assets (Disclose on Schedule A)	\$80,513
107 Total Current Assets	<u>\$25,494,444</u>

NON-CURRENT ASSETS

108 Land	1,367,208
109 Building	4,513,462
110 Leasehold Improvements	-
111 Furniture and Equipment	2,011,113
112 Vehicles	320,132
113 Total Property and Equipment	<u>\$8,211,915</u>
114 Less: Accumulated Depreciation	2,435,775
115 Net Property and Equipment	<u>\$5,776,140</u>
116 Notes Receivable (net of current portion)	\$26,783
117 Performance Bond (Disclose on Schedule A)	
118 Long Term Investments	
119 Deposits	
120 Other Noncurrent Assets (Disclose on Schedule A)	-
121 Total Noncurrent Assets	<u>\$5,802,923</u>

122 TOTAL ASSETS	<u><u>\$31,297,367</u></u>
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LIABILITIES AND NET ASSETS/EQUITY

CURRENT LIABILITIES

201 Incurred But Not Reported Claims (Disclose on Sch. A)	\$859,692
202 Reported But Unpaid Claims	-
203 Payable to ADHS (Disclose on Schedule A)	\$1,995,095
204 Other Amounts Payable to Providers	3,427,945
205 Trade Accounts Payable	271,966
206 Accrued Salaries and Benefits	533,657
207 Long-term Debt (current portion)	143,336
208 Deferred Revenue (Disclose on Schedule A)	\$29,715
209 Risk Pool Payable	
210 Other Current Liabilities (Disclose on Schedule A)	\$577,574
211 Total Current Liabilities	<u>\$7,838,980</u>

NON-CURRENT LIABILITIES

212 Long-term debt (net of current portion)	1,805,895
213 Loss Contingencies (Disclosed on Schedule A)	\$0
214 Other Noncurrent Liabilities (Disclose on Schedule A)	\$0
215 Total Noncurrent Liabilities	<u>\$1,805,895</u>

216 TOTAL LIABILITIES	<u>\$9,644,875</u>
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217 NET ASSETS/EQUITY

Unrestricted Net Assets	21,652,492
Restricted Net Assets (Disclose on Schedule A)	\$0

218 TOTAL LIABILITIES AND NET ASSETS/EQUITY	<u><u>\$31,297,367</u></u>
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NARBHA
STATEMENT OF FINANCIAL POSITION
AS OF: September 30, 2008
Schedule A Disclosures

ASSETS:

Cash

	Unrestricted	20,397,922
	Restricted	
Total Cash		<u><u>\$20,397,922</u></u>

Accounts Receivable

ADHS		Program ID	Category ID	
Current Year		TXIX SMI		\$1,113,064
		NTXIX/XXI Child		(23,035)
		NTXIX/XXI Child	Coaching&Training	35,118
		TXIX CMDP		598,425
		TXIX DD Child		0
		NTXIX/XXI SMI		378,673
		TXIX GMHSA		976,671
		Substance Abuse		153,074
		Prevention Intervention		25,203
		ADHS DOC	COOL	0
Prior Year		TXIX Child		1,134,518
		TXXI Child		231,446
Non-ADHS &/or Unrelated Business				
Current Year		Billings to RA's		15,455
		Miscellaneous receivables		50,455
Prior Year				

Allowance for Doubtful Accounts

Total Accounts Receivable	<u><u>\$4,689,067</u></u>
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Other Current Assets (Detail of Line 106)

	ST. Comp Deposit	\$2,938
	Insurance paid by BHIP	\$77,575
Total Other Current Assets		<u><u>\$80,513</u></u>

Other Noncurrent Assets (Detail of Line 120)

Total Other Noncurrent Assets	-
	<u><u>-</u></u>

PERFORMANCE BOND:

Met with a surety bond purchased from Fidelity and Deposit Company of Maryland in the amount of \$2,877,670 and an irrevocable letter of credit from Compass Bank in the amount of \$8,320,999

Adjustments:

Payables to ADHS - Other* Category

Unearned FY07 Flex Funds

Explain ≥10% fluctuation in account from prior period

Increase in Accounts Receivable due to increase in ADHS Accounts Receivable; the largest increase due to accruing TXIX at the new cap rates.
Decrease in Notes Receivable due to receipt of payment from CCC.
Increase in Prepaid Expenses due to payment of invoices for upcoming computer maintenance contracts and membership dues offset by amounts expensed for previous computer maintenance and membership dues.
Decrease in Other Current Assets due to expensing insurance for the quarter.
Increase in IBNR due to projected increase in claims and some providers being slow to bill.
Increase in Payable to Providers due to adjustments per the System Budget issued for FY09.
Decrease in Trade Accounts Payable primarily due to payment of large invoices received at the end of June.
Decrease in Salaries and Benefits due to four less days accrued in September than in June.

LIABILITIES:

IBNR Claims Estimate

Current Year	
FY 09	\$661,700
Prior Year(s)	
FY 08	\$197,992

Total IBNR	<u><u>\$859,692</u></u>
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Payable to ADHS (Detail of Line 203)

Program ID	Category ID	
Current Year		
	Sanctions	\$0
Prior Year		
Substance Abuse	Other*	\$13,730
NTXIX/XXI Child	Other*	\$15,056
TXIX Child	Withhold	\$577,426
TXIX CMDP	Withhold	\$306,094
TXIX DD Child	Withhold	\$36,453
TXIX SMI	Withhold	\$959,058
TXXI Adult	Profit/Risk Corridor	\$87,278

Total Payable to ADHS	<u><u>\$1,995,095</u></u>
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Deferred Revenue from: (Detail of Line 208)

Program ID	Category ID	
ADHS		
Current Year		
	COOL	\$0
Prior Year		
HB2003 Child	Coaching & Training	\$3,959
NTXIX/XXI Child	Flex funds	8,094
Substance Abuse	Flex Funds	17,662

Non-ADHS &/or Unrelated Business

Current Year	
Other	
Prior Year	

Total Deferred Revenue	<u><u>\$29,715</u></u>
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Other Current Liabilities (Detail of Line 210)

Payable to BHIP	\$77,574
Community Reinvestment	500,000
Total Other Current Liabilities	<u><u>\$577,574</u></u>

Loss Contingencies (Detail of Line 213)

Identify Loss Contingencies	
Total Loss Contingencies	<u><u>\$0</u></u>

Other Noncurrent Liabilities (Detail of Line 214)

Identify Other Noncurrent Liabilities	
Total Other Noncurrent Liabilities	<u><u>\$0</u></u>

Restricted Net Assets (Detail of Line 217)

Identify Restricted Net Assets	
Total Restricted Net Assets	<u><u>\$0</u></u>

NARBHA

STATEMENT OF CHANGES IN NET ASSETS / EQUITY

AS OF : September 30, 2008

		Net Assets /	
		Retained	
Initial Capital	Additional Capital	Earnings	Total
Beginning Balance:	July 1, 2008	20,389,256	20,389,256
* Net Surplus / Net Earning for the period ended:	September 30, 2008	1,263,236	1,263,236
Dividends Declared			-
** Prior Period Adjustments			-
Ending Balance:	September 30, 2008		-
\$	-	\$	-
\$	-	\$	21,652,492
\$	-	\$	21,652,492

* Net of dividends declared

** Disclosure of Prior Period Adjustments

*DISCLOSE ON SCHEDULE A

		TXIX CHILD	TXIX CMDP	TXIX DD CHILD	NTXIX/XXI CHILD	TXXI CHILD	HB2003 CHILD	TXIX SMI	TXIX DD ADULT	NTXIX/XXI SMI	HIFA II SMI	TXXI ADULT	SSDI - TMC	TXIX GMHSA	HIFA II GMH	MENTAL HEALTH	SUBSTANCE ABUSE	PREVENTION INTERVENTION	PASRR	ADHS DOC	OTHER	SUB TOTAL	PROGRAM ADMIN & MGMT/GEN	TOTAL
REVENUES																								
401	Revenue Under ADHS Contract																							
a	ADHS Revenue	6,944,505	3,539,671	572,876	417,587	339,267	0	10,950,404	519,024	2,400,874	38,935	9,640	6,091	7,309,200	37,117	80,219	1,083,316	240,291	600	32,031	0	34,521,648	0	34,521,648
b	ADHS Revenue - Qualifying Incentive Payments																				0	0	0	
402	Specialty & Other Grants*																				0	0	0	
403	Client Fees (Co-pays)																				0	0	0	
404	Third Party Recoveries																							
a	Medicare																					0	0	
b	Other Insurance																					0	0	
405	Interest Income																					0	92,530	92,530
406	Other Funding Sources - Non ADHS*																				0	0	17,718	17,718
407	Unrelated Business Activities*															0	0	0				0	112,005	112,005
408	TOTAL REVENUE	6,944,505	3,539,671	572,876	417,587	339,267	0	10,950,404	519,024	2,400,874	38,935	9,640	6,091	7,309,200	37,117	80,219	1,083,316	240,291	600	32,031	0	34,521,648	222,253	34,743,901
EXPENSES																								
Service Expenses:																								
501	Treatment Services																							
a	Counseling																					1,315,026		1,315,026
1	Counseling, Individual	301,330	187,194	9,020	18,194	23,932		359,903	11,107	23,614	6,624	200	1,078	328,045	2,532	9,426	32,825							
2	Counseling, Family	211,529	101,771	10,118	9,713	17,629		19,970	1,534	1,668	0	308	0	14,754	198	0	3,707							
3	Counseling, Group	15,895	24,788	0	2,828	606		76,757	2,060	9,014	0	0	164	205,227	1,652	335	68,541							
b	Consultation, Assessment & Specialized Testing	265,732	71,579	20,675	17,566	12,040		140,294	8,271	15,734	0	790	819	344,781	4,512	7,860	66,922							
c	Other Professional	0	0	1,250	2,316	0		0	0	4,261	0	0	0	0	0	5,468	5,895							
d	Total Treatment Services	794,486	385,332	41,063	50,615	54,207	0	596,924	22,972	54,291	6,624	1,299	2,061	892,807	8,895	23,089	177,890	0	0	0	0	3,112,552	0	3,112,552
502	Rehabilitation Services																							
a	Living Skills Training	869,774	278,331	74,359	24,276	25,857		560,434	11,885	17,342	0	0	314	167,109	0	1,342	91,449					2,122,474		2,122,474
b	Cognitive Rehabilitation	0	0	0	0	0		0	0	0	0	0	0	0	0	0	0					0		0
c	Health Promotion	5,058	5,326	0	923	0		33,767	11	1,913	0	0	0	109,570	0	183	62,528					219,278		219,278
d	Supported Employment Services	1,354	0	0	0	0		52,338	354	3,579	0	0	0	1,803	0	0	0					59,428		59,428
e	Total Rehabilitation Services	876,186	283,657	74,359	25,199	25,857	0	646,539	12,251	22,833	0	0	314	278,482	0	1,525	153,977	0	0	0	0	2,401,180	0	2,401,180
503	Medical Services																							
a	Medication Services	0	0	333	0	0		93,711	769	1,434	0	0	209	537,163	785	34	9,583					644,021		644,021
b	Medical Management	276,416	47,789	18,252	11,603	20,738		545,267	27,465	68,314	5,235	497	184	304,402	3,087	11,730	19,655					1,360,634		1,360,634
c	Laboratory, Radiology & Medical Imagin	2,886	1,048	167	80	302		16,778	744	2,157	266	0	0	9,946	129	0	592					35,094		35,094
d	Electro-Convulsive Therapy	0	0	0	0	0		898	0	0	0	0	0	0	0	0	0					898		898
e	Total Medical Services	279,302	48,837	18,752	11,683	21,040	0	656,654	28,978	71,905	5,501	497	393	851,510	4,000	11,765	29,830	0	0	0	0	2,040,647	0	2,040,647
504	Support Services																							
a	Case Management	1,267,358	774,224	101,244	80,875	70,459		2,136,664	83,882	183,081	14,248	2,669	2,007	989,550	11,582	24,736	119,946					5,862,526		5,862,526
b	Personal Assistance	20,328	3,874	16,586	0	226		168,248	842	3,430	0	0	0	104,128	0	0	42,533					360,195		360,195
c	Family Support	194,838	86,080	28,555	4,267	7,834		277	0	0	0	0	0	4,387	0	0	0					326,238		326,238
d	Peer Support	0	99	0	0	0		166,542	4,413	6,341	0	0	0	50,730	102	153	24,753					253,234		253,234
e	Home Care Training to Home Care Client	260,104	643,084	0	5,370	24,550		0	0	0	0	0	0	0	0	0	0					933,108		933,108
f	Respite Care	383,628	168,081	12,722	31,587	14,016		0	0	0	0	0	0	6,800	0	0	0					616,834		616,834
g	Housing Support	0	0	0	3,480	0		0	0	12,006	0	0	0	0	0	2,578	5,101					23,166		23,166
h	Interpreter Services	0	0	0	810	0		0	0	52	0	0	0	0	0	428	0					1,290		1,290
i	Flex Fund Services	0	0	0	11,461	0		0	0	1,498	0	0	0	0	0	0	917					13,876		13,876
j	Transportation	314,750	82,516	13,649	10,768	6,536		447,894	9,095	27,775	681	0	19	457,610	1,426	3,636	44,228					1,420,584		1,420,584
k	Block Purchase NTXIX Consumer Drop In Cente	0	0	0	0	0		0	0	0	0	0	0	0	0	0	0					0		0
l	Total Support Services	2,441,105	1,757,959	172,756	148,618	123,621	0	2,919,624	98,233	234,183	14,929	2,669	2,025	1,613,206	13,110	31,532	237,480	0	0	0	0	9,811,051	0	9,811,051
505	Crisis Intervention Services																							
a	Crisis Intervention - Mobile	17,960	15,966	1,273	3,869	939		64,192	2,619	2,817	0	0	0	44,607	0	7,560	8,385					170,188		170,188
b	Crisis Intervention - Stabilization	0	0	0	0	0		0	0	0	0	0	0	0	0	0	0					0		0
c	Crisis Intervention - Telephone	15,674	3,918	0	4,651	1,040		18,284	0	4,075	216	26	0	12,802	170	4,102	458					65,416		65,416
d	Total Crisis Intervention Services	33,634	19,884	1,273	8,520	1,979	0	82,475	2,619	6,892	216	26	0	57,409	170	11,662	8,843	0	0	0	0	235,604	0	235,604
506	Inpatient Services																							
a	Hospital																							
1	Psychiatric (Provider Types 02 & 71	57,142	58,754	0	0	0		302,996	0	181,533	0	0	0	279,327	0	0	0					879,752		879,752
2	Detoxification (Provider Types 02 & 71 Sub-acute Facility	0	0	0	0	0		0	0	0	0	0	0	6,658	0	0	0					6,658		6,658

*DISCLOSE ON SCHEDULE A

	TXIX CHILD	TXIX CMDP	TXIX DD CHILD	NTXIX/XXI CHILD	TXXI CHILD	HB2003 CHILD	TXIX SMI	TXIX DD ADULT	NTXIX/XXI SMI	HIFA II SMI	TXXI ADULT	SSDI - TMC	TXIX GMHSA	HIFA II GMH	MENTAL HEALTH	SUBSTANCE ABUSE	PREVENTION INTERVENTION	PASRR	ADHS DOC	OTHER	SUB TOTAL	PROGRAM ADMIN & MGMT/GEN	TOTAL
Administrative Expenses:																							
601 Salaries	246,305	120,310	38,598	13,752	12,404	0	370,590	21,702	78,819	1,263	473	248	253,904	1,185	1,958	54,091	22,001	0	7,490	0	1,245,093	6,283	1,251,376
602 Employee Benefits	79,880	39,099	11,478	4,418	3,980	0	120,148	6,762	25,098	406	140	54	79,242	380	602	17,091	6,749	0	2,173	0	397,700	481	398,181
603 Professional & Outside Services	19,033	9,342	1,749	4,957	886	0	29,019	1,499	5,687	101	29	11	19,383	95	125	2,700	1,015	0	199	0	95,830	100	95,930
604 Travel	7,108	2,777	1,574	806	352	0	8,437	484	1,810	27	9	15	6,090	25	52	2,419	524	0	905	0	33,414	0	33,414
605 Occupancy	15,063	7,709	2,503	805	733	0	23,924	1,656	5,038	85	38	143	15,891	79	117	2,386	2,972	0	152	0	79,294	0	79,294
606 Depreciation	17,152	8,443	1,424	976	820	0	26,316	1,307	5,283	93	25	11	24,327	87	116	9,277	597	0	187	0	96,441	0	96,441
607 All Other Operating*	46,046	23,084	4,084	3,371	2,206	0	71,190	3,438	14,592	249	71	51	48,832	237	312	8,147	2,196	0	694	0	228,800	332	229,132
608 Subtotal ADHS Administrative Expenses	430,587	210,764	61,410	29,085	21,381	0	649,624	36,848	136,327	2,224	785	533	447,669	2,088	3,282	96,111	36,054	0	11,800	0	2,176,572	7,196	2,183,768
650 Encounter Withhold Expenses*	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
651 Non ADHS and/or Unrelated Admin. Expense*	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	196,248	196,248
652 Subtotal Administrative Expense	430,587	210,764	61,410	29,085	21,381	0	649,624	36,848	136,327	2,224	785	533	447,669	2,088	3,282	96,111	36,054	0	11,800	0	2,176,572	203,444	2,380,016
701 Unrelated Business Expenses*															0	0	0				0	0	0
790 Income Tax Provisions																							
a ADHS Income Tax Provision																						0	0
b Non ADHS Income Tax Provision																						0	0
799 Subtotal Income Tax Provision	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
800 TOTAL EXPENSES	6,602,330	3,621,673	541,972	424,436	323,246	0	10,373,654	507,374	2,357,020	40,228	9,372	6,137	6,938,024	42,498	79,651	1,098,986	264,789	600	45,232	0	33,277,221	203,444	33,480,665
801 INC(DEC) IN NET ASSETS/EQUITY	342,175	(82,002)	30,904	(6,849)	16,021	0	576,750	11,650	43,854	(1,293)	268	(46)	371,176	(5,381)	568	(15,670)	(24,498)	0	(13,201)	0	1,244,427	18,809	1,263,236

*Disclose on Schedule A

September 30, 2008

[illegible]

	TXIX CHILD	TXIX CMDP	TXIX DD CHILD	NTXIX/XXI CHILD	TXXI CHILD	HB2003 CHILD	TXIX SMI	TXIX DD ADULT	NTXIX/XXI SMI	HIFA II SMI	TXXI ADULT	SSDI - TMC	TXIX GMHSA	HIFA II GMH	MENTAL HEALTH	SUBSTANCE ABUSE	PREVENTION INTERVENTION	PASRR	ADHS DOC	OTHER	SUB TOTAL	PROGRAM ADMIN/MGMT/ GEN	TOTAL
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ADJUSTMENTS
(Disclose and describe any adjustments to previously submitted financial statements including those that affect the current financial statements)

Disclosures:

Analysis:
(Compare prior quarter activity to current quarter activity for each column [program] and each row major category of service.)

NARBHA**STATEMENT OF CASH FLOWS****YEAR TO DATE FOR PERIOD ENDED:**

September 30, 2008

CASH FLOWS FROM OPERATING ACTIVITIES:

Changes in Net Assets	1,263,236
Adjustments to Reconcile Excess of Revenue Over/(Under) Expenses to Net Cash Provided (Used) by Operating Activities:	
Depreciation and Amortization	97,617
Changes in Operating Assets and Liabilities	
(Increases)/Decreases in Assets:	
Current Investments	
Receivables	(3,006,870)
Inventory & Prepaid Expenses	(11,036)
Interest Receivable	
Deposits	1,317
Other	-
Increases/(Decreases) in Liabilities:	
IBNR	179,692
RBUC	
Accounts Payable to ADHS	-
Accounts Payable to Providers	2,812,138
Interest Payable	-
Trade Accounts Payable	(66,053)
Accrued Salaries & Benefits	(96,536)
Unearned Revenue	-
Other Current Liabilities	(38,788)

NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	1,134,717
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CASH FLOWS FROM INVESTING ACTIVITIES

Proceeds from Sale of Property & Equipment	6,959
Purchases of Property & Equipment	(11,150)
Proceeds from Sales of Investments	-
Purchase of Investments	-

NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	(4,191)
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CASH FLOWS FROM FINANCING ACTIVITIES:

Acquisition of Debt (Describe on Schedule A)	-
Payment of Lease Obligations	(3,053)
Payment of Other Debts (Describe on Schedule A)	(32,531)

NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES	(35,584)
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NET INCREASE/(DECREASE) IN CASH	1,094,942
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BEGINNING CASH	\$19,302,980
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ENDING CASH BALANCE *	20,397,922
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***NOTE: ENDING CASH BALANCE MUST AGREE WITH TOTAL CASH BALANCE ON BALANCE SHEET**

NARBHA**STATEMENT OF CASH FLOWS****YEAR TO DATE FOR PERIOD ENDED:**

September 30, 2008

Schedule A Disclosure**Describe:**

1. Sources and amounts of cash received for other grants.

2. Underlying transactions for acquisition of debt.

(Debtor, amount, purpose of loan, term, interest rate of debt acquired during the quarter.)

3. Underlying transactions for retirement of debt.

(Debtor, amount paid off.)

4. Cash Flows From Financing Activities - Payment of Other Debt

Xerox - payments of leases	\$	3,052
Compass Bank - payment of mortgage	\$	32,530

5. Supplemental data or non-cash investing and financing activities, gifts, etc.

6. Detail of Depreciation:

Depreciation expense	104,576
Gain on the Sale of Property	<u>(6,959)</u>
Net	<u><u>97,617</u></u>

Since the Gain is an "adjustment to Reconcile Excess of Revenue Over/(Under) Expenses to Net Cash Provided (Used) by Operating Activities" it is netted with Depreciation since a line cannot be added to the Statement of Cash Flows.